

**From:** TONY GALLEGOS (TGALLEGOS)  
**To:** WHEDBERG  
**Date:** Wednesday, March 30, 1994 10:40 am  
**Subject:** S/049/011-State Leases

I called Theresa at State Lands about information on leases in sections 30, 31, T6S, R1E, SLBM.

Larson Limestone has a building stone lease for limestone in section 31, ML46040. The general area of the lease is the NW/4 NE/4 of section 31. It appears that the area was previously leased by Larson, the lease lapsed & was open for auction, then Larson picked up the lease again. During the "Primary Term" of 10 years after this type of lease is initiated, the lessor is allowed to make the annual rental payment only, without being penalized for lack of production or lack of royalty payment. In essence, rental payments without development of the mineral.

Cedarstrom Calcite has a lease for the SW/4 of section 31 and a smaller area in the northern half of section 31.